



WILL YOUR CHILDREN HAVE A TAX LIABILITY WHEN YOU DIE?



Did you know...

Your children can only inherit €320,000* from you tax free.

Anything in excess of this, per child, is taxable at 33%.

Leaving assets to your children may result in them having to pay Inheritance Tax.

Source: Capital Acquisitions Tax Consolidation Act 2003 (as updated).

*Group 1 Threshold available from 10th October 2018.

Please see over the page for an example 

LET’S TAKE AN EXAMPLE

Mr and Mrs Nolan have an estate valued at €3,000,000. They have three children (one son and two daughters).

They plan on leaving the family home and the apartment to their son. Their daughters will inherit the remainder of the estate equally.

Their assets are as follows:	
Family Home	€1,000,000
Apartment	€500,000
Cottage	€300,000
Life Cover	€600,000
Savings	€150,000
Pensions	€450,000

Sons Tax Liability		Each Daughters' Tax Liability	
Total Inheritance	€1,500,000	Total Inheritance	€750,000
Tax Free Threshold	€320,000	Tax Free Threshold	€320,000
Taxable Inheritance	€1,180,000	Taxable Inheritance	€430,000
Tax at 33%	€389,400	Tax at 33%	€141,900
Total Inheritance Tax bill of €673,200 or almost 23% of estate taken in tax			

This example assumes that the full Group 1 threshold is available to each child and that none of the children have received any gift or inheritance from anyone else since 5 December 1991.

We advise that you seek professional legal and tax advice as the information given is a guideline only and does not take into account your personal circumstances. The example included is for guidance purposes only and is not based on any real individual circumstances and should not be constituted as advice in any particular instance.

*Is this something
you need to
consider?*



Irish Life Assurance plc, Registered in Ireland number 152576,
VAT number 9F55923G.
Irish Life Assurance plc is regulated by the Central Bank of Ireland.